

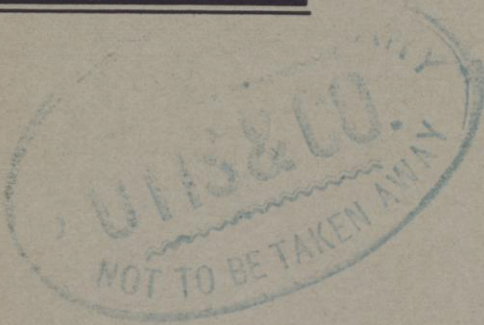
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CORPORATION FILE

The Cincinnati and Suburban Bell Telephone Company

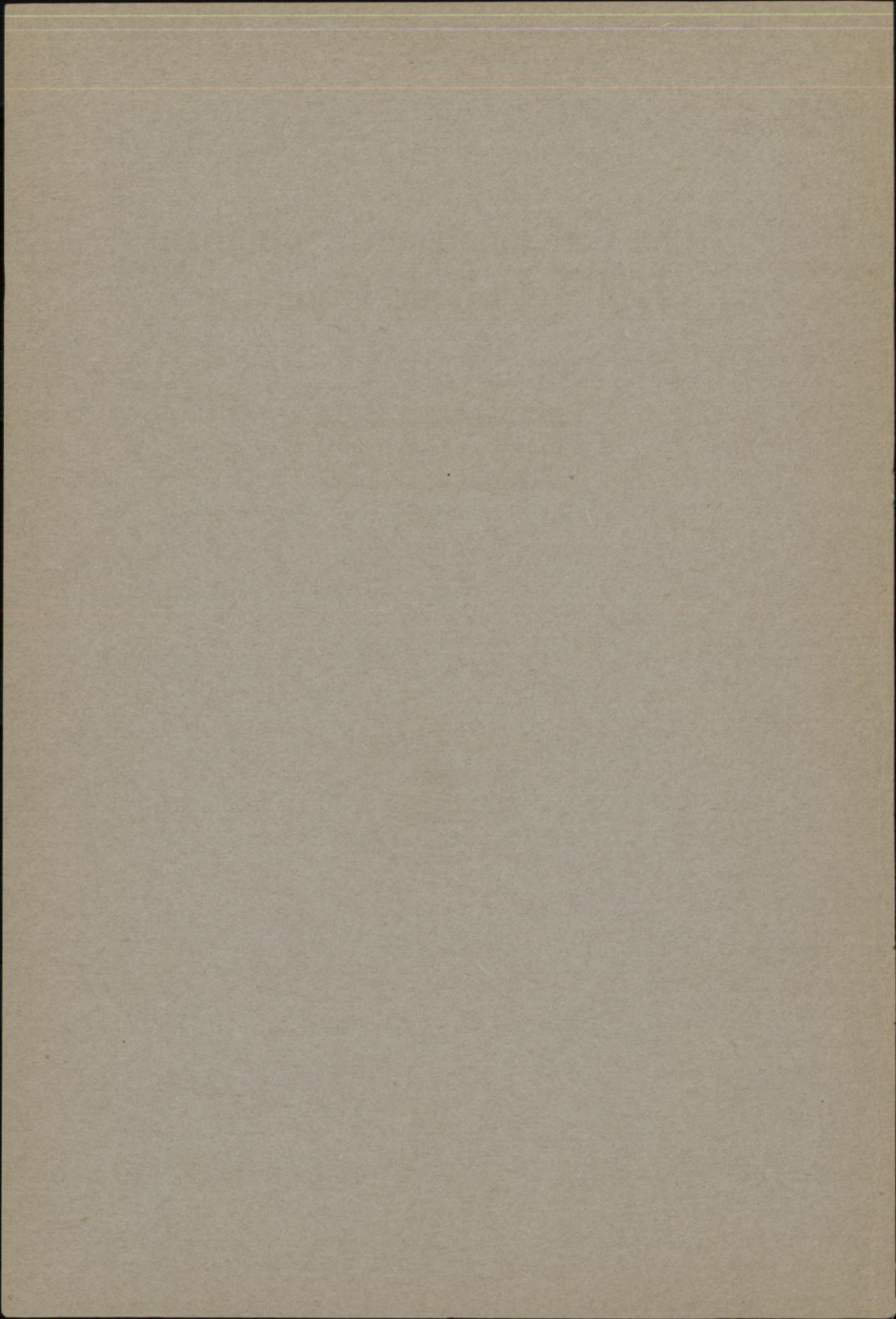
Annual Report

Year Ending Dec. 31, 1926

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The Cincinnati and Suburban Bell Telephone Company

ANNUAL REPORT



Year Ending December 31st, 1926

The Cincinnati and Suburban Bell Telephone Company



DIRECTORS

Alfred J. Becht	Bayard L. Kilgour
Charles W. Dupuis	George W. Lewis
Walter S. Gifford	Benjamin T. McBurney
Ransom C. Hall	Charles P. Taft



OFFICERS

B. L. KILGOUR, Pres. and Gen. Mgr.	L. C. NOWLAND, Chief Engineer
B. T. MCBURNEY, Vice-Pres. and Asst. Gen. Mgr.	T. C. REED, Supt. of Plant
R. C. HALL, Secretary and Treasurer	H. J. BARBER, Commercial Supt.
J. J. BECKER, Auditor	O. A. FRANK, Supt. of Traffic

Cincinnati, Ohio, February 16, 1927.

To the Stockholders:

I respectfully submit herewith Annual Report of the operations of the Company for the year 1926.

During the past year the cost of extensions, additions and betterments to plant and equipment amounted to \$2,944,942, the principal items being:

Land and buildings	\$ 69,051
Central office equipment	703,832
Station equipment	814,205
Exchange lines	1,150,160

Our 1927 program provides for construction expenditures slightly in excess of \$3,000,000.

At the Annual Meeting of Stockholders held February 17, 1926, a resolution was adopted directing the President and Secretary to file with the Secretary of State of Ohio, a certificate of increase of this Company's capital stock from Twenty Million to Thirty Million Dollars, the proceeds from said increase to be devoted to necessary extensions and additions to plant. As funds were not required during the past year, the certificate was not filed. However, when necessary, the proper action will be taken.

The net station gain in subscribers' stations was 4,009, making a total of 170,537 as of December 31, 1926.

The Cincinnati & Suburban Bell Telephone Co.

BALANCE SHEET

December 31, 1926

ASSETS

FIXED CAPITAL (Including Construction Work in Progress:	
Land and Buildings	\$ 3,022,159.98
Telephone Plant and Equipment ...	23,703,624.31
General Equipment	406,856.25
	<u>\$27,132,640.54</u>
INVESTMENT SECURITIES	340.00
Total Permanent and Long Term Investments	<u>\$27,132,980.54</u>
WORKING ASSETS:	
Cash and Deposits	\$ 169,700.78
Bills Receivable	570.00
Accounts Receivable	545,593.58
Marketable Securities	1,274,160.00
Materials and Supplies	259,605.73
	<u>2,249,630.09</u>
ACCRUED INCOME NOT DUE	2,000.01
DEFERRED DEBIT ITEMS:	
Prepayments	\$ 21,371.89
Other Deferred Debits	33,415.24
	<u>54,787.13</u>
TOTAL ASSETS	<u>\$29,439,397.77</u>

LIABILITIES

CAPITAL STOCK	\$18,327,900.00
PREMIUMS ON CAPITAL STOCK	60,712.35
ACCOUNTS PAYABLE	691,815.99
ACCRUED LIABILITIES NOT DUE	610,422.35
DEFERRED CREDIT ITEMS:	
Employees' Benefit Reserve	\$ 375,000.00
Other Deferred Credits	5,107.25
	<u>380,107.25</u>
FIXED CAPITAL RESERVES:	
Reserve for Accrued Depreciation ...	\$ 7,127,439.26
Reserve for Amortization of Intangible Capital	54,304.06
	<u>7,181,743.32</u>
CORPORATE SURPLUS	2,186,696.51
TOTAL LIABILITIES	<u>\$29,439,397.77</u>

J. J. BECKER, Auditor.

in the organization, and their splendid efforts merit the appreciation alike of the Board, the stockholders and telephone users.

The usual financial statements are appended.

B. L. KILGOUR,
President and General Manager
for the Board of Directors.

The Cincinnati & Suburban Bell Telephone Co.

INCOME STATEMENT

Year Ended December 31, 1926

Telephone Operating Revenues.....	\$ 8,112,875.76
Telephone Operating Expenses.....	5,293,910.00
Net Telephone Operating Revenue.....	\$ 2,818,965.76
Deductions:	
Uncollectible Operating Revenues...\$	67,895.93
Taxes Assignable to Operations.....	829,217.84
	<u>897,113.77</u>
Operating Income	\$ 1,921,851.99
Net Non-Operating Income.....	60,749.98
TOTAL GROSS INCOME.....	\$ 1,982,601.97
Deductions:	
Other Interest	\$ 5,603.21
Rent and Miscellaneous.....	47,648.35
	<u>53,251.56</u>
BALANCE NET INCOME.....	\$ 1,929,350.41
Dividends	\$1,466,232.00
Other Appropriations from Net Income.	50,000.00
	<u>1,516,232.00</u>
BALANCE FOR CORPORATE SURPLUS....	\$ 413,118.41

J. J. BECKER, Auditor.

I have audited the books and accounts of The Cincinnati and Suburban Bell Telephone Company for the year ended December 31, 1926, and I hereby certify that the accompanying Balance Sheet and Income Statement are in accordance with the books, and, in my opinion, correctly set forth, according to the system of accounts prescribed by the Interstate Commerce Commission, the financial position of the Company at December 31, 1926, and the results of operations for the year.

W. J. CONDON,

Auditor for American Telephone and Telegraph Company.

January 27, 1927.

